TIGHE PATTON ARMSTRONG TEASDALE, PLLC

ATTORNEYS AT LAW

1747 PENNSYLVANIA AVENUE, N.W.
Third Floor
WASHINGTON, DC 20006-4604

TELEPHONE (202) 454-2800
FACSIMILE (202) 454-2805
www.tighepatton.com

STEPHEN L. GOODMAN
WRITER'S DIRECT DIAL: (202) 454-2851
EMAIL: sgoodman@tighepatton.com

January 29, 2008

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Petitions for Rulemaking and Clarification Regarding the Commission's Rules Applicable to Retirement of Copper Loops and Subloops – RM-11358

Dear Ms. Dortch:

Yesterday, Kevin Sheehan, President and CEO of Hatteras Networks, Inc. and I met with the Commissioners' Legal Advisors and staff of the Wireline Competition Bureau. In particular, we met with John Hunter from Commissioner McDowell's Office, Scott Deutchman from Commissioner Copps' Office, Ian Dillner from Chairman Martin's Office, Scott Bergmann from Commissioner Adelstein's Office, Chris Moore from Commissioner Tate's Office, and William Kehoe, Matt Warner, Tim Stelzig, Jeremy Miller, Bill Dever, Jon Reel and Chris Riley from the Wireline Competition Bureau.

The purpose of the meetings was to discuss the current state of technology with regard to Mid-Band Ethernet provided over bonded copper pairs and industry developments concerning that technology. The attached slides were used to address these subjects. Because the discussions touched on the subject of an open proceeding concerning the retirement of copper plant, in accordance with Section 1.1206 of the Commission's Rules a copy of this notice is being filed via the Electronic Comment Filing System in the docket for the above-captioned proceeding. Please contact the undersigned if you have any questions with regard to this matter.

Sincerely,

/s/
Stephen L. Goodman
Counsel for Hatteras Networks, Inc.

HATTERAS NETWORKS

Mid-Band Ethernet
Leveraging Copper, A National Treasure

Kevin Sheehan
President and CEO

To Do List for the Next 15 Minutes

- ✓ Update on technology innovation to leverage copper infrastructure
- ✓ Copper retirement
- ✓ Mobile-backhaul solutions
- ✓ How to speed broadband deployment and promote competition

Large Service Gap In Access Network

- **Historical view was that traditional T1-based access would be replaced with fiber**
- **However, while fiber deployment has accelerated, the bottom line is very little change in T1 infrastructure in the past five years**

Ethernet rules the LAN

Ethernet rules the core

All Content is connected via Ethernet

Google

YAHOO!

myspace.com
a place for friends

LAN | Access | Core | Content

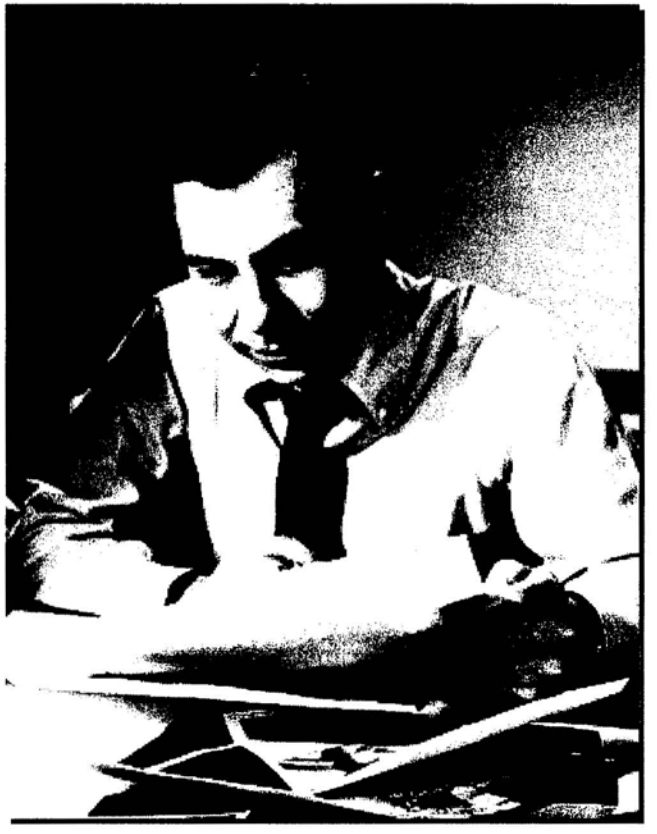
Even wireless solutions are Ethernet based

Lower CapEx
Lower OpEx

The Market Facts are Compelling

Just the Facts....

- 87% of businesses do not have access to fiber
- 70% of fiber-based Metro-Ethernet services are at 10Mbps
- 10Mbps services are the fastest growing market segment
- Copper pairs are available
- Products are proven



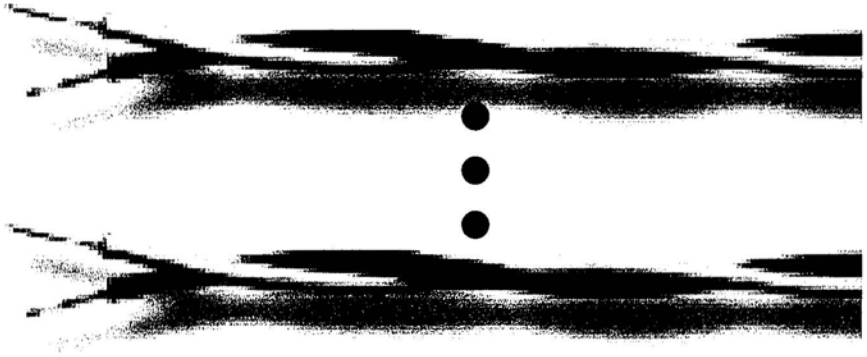
Popular Ethernet services:

- Transparent LAN Services (TLS)
- Direct Internet Access (DIA)
- Ethernet Private Line
- Voice and Data Convergence

More Bandwidth from Existing Facilities

Legacy T1

2 Pair: Delivers 1.5 Mbps



2BASE-TL Mid-Band Ethernet

Delivers 5.7 Mbps per pair

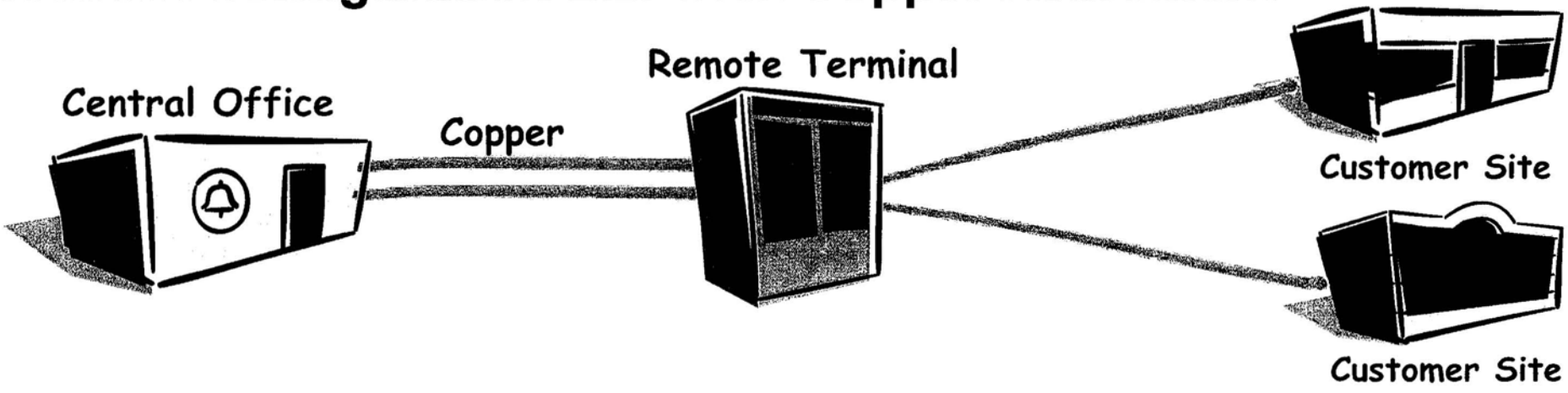
2 Pair: Delivers 11.4 Mbps

8 Pair: Delivers 45 Mbps

Over 7x more bandwidth
AND much greater reliability

Simple Copper Retirement Example

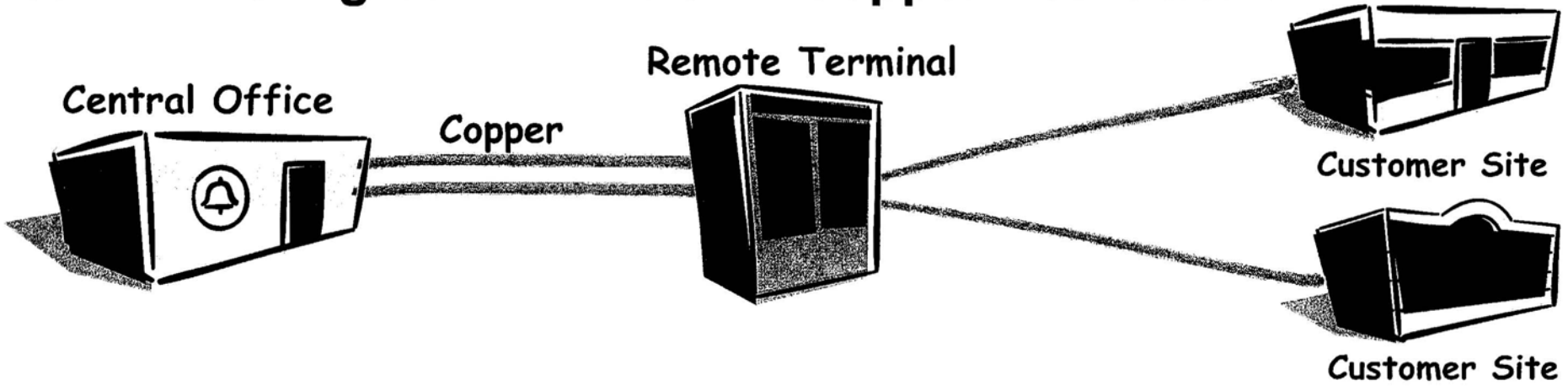
Network Configuration BEFORE Copper Retirement



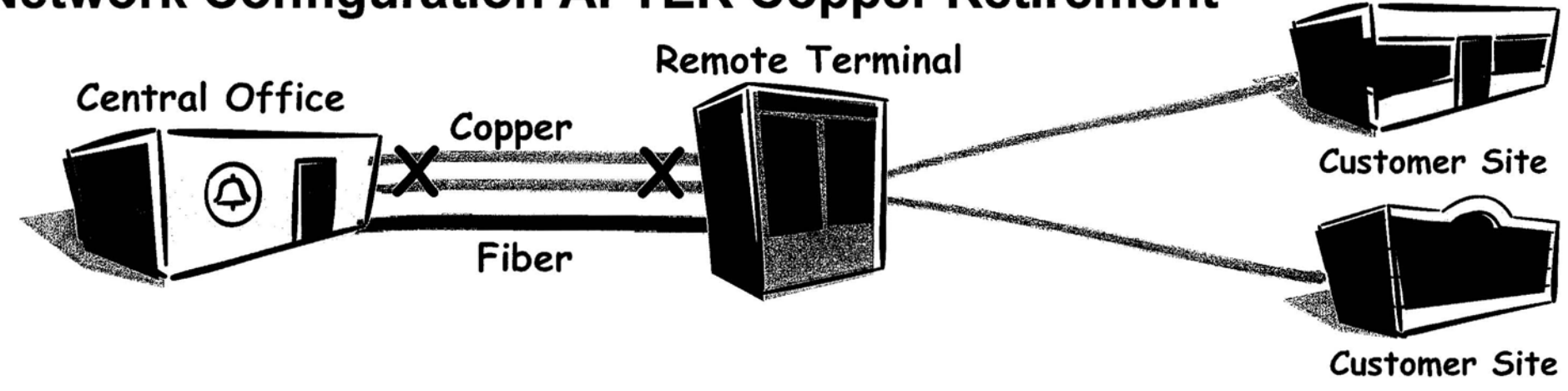
- Several types of copper retirement
- We will focus on how this affects business applications today

Simple Copper Retirement Example

Network Configuration BEFORE Copper Retirement

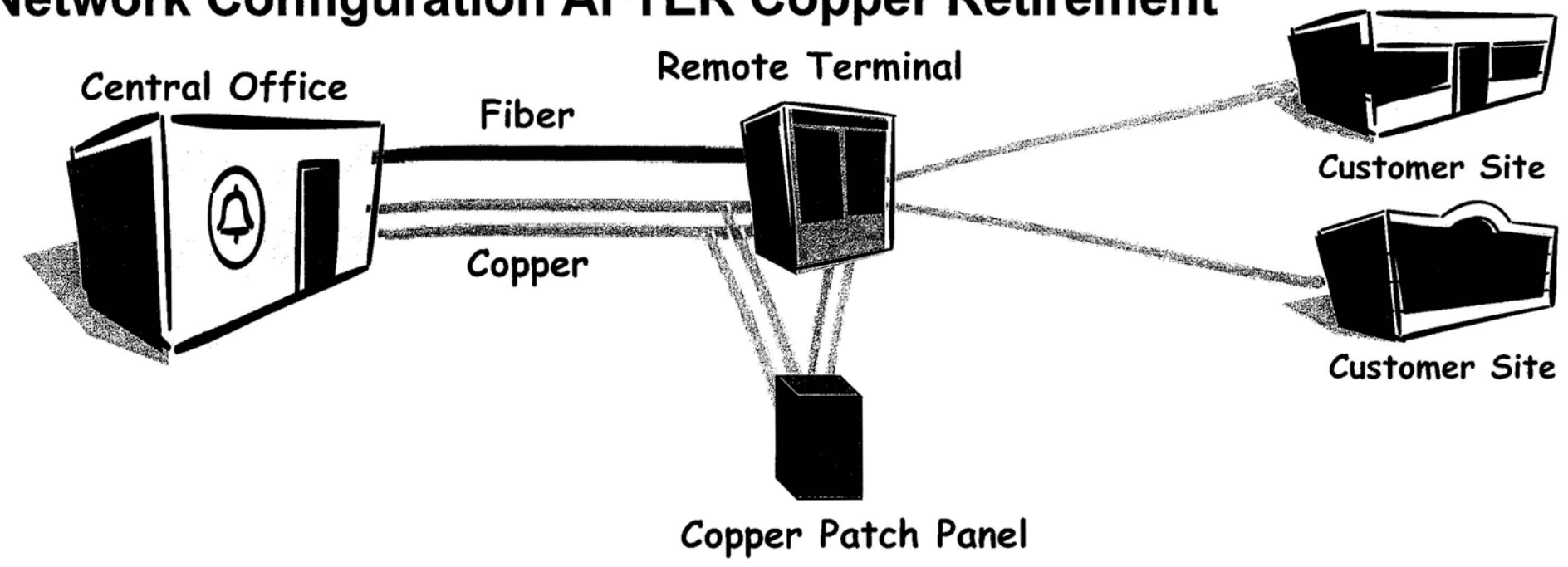


Network Configuration AFTER Copper Retirement



Straight-Forward Familiar Solution Example

Network Configuration AFTER Copper Retirement



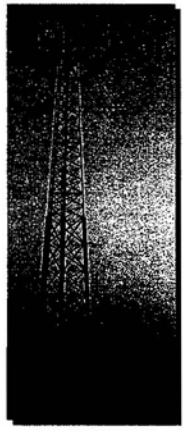
- Add an old fashioned Copper Cross Connect
- No reason to abandon the copper
- Allows competitive carriers to continue serving users from the CO

Today's Backhaul Is Copper (T1s)

=

Bandwidth Hog

Bandwidth is a problem for business customers, and the same T1 foundation that frustrates business customers powers our mobile backhaul



Impediments for Improving Mobile Backhaul

- **Over 90% of US Mobile Backhaul are T1s**
  - Mobile Carrier must lease facilities from Wireline Carriers
  - Limited competitive options are available (e.g., Microwave)
- **UNE-Ls are not available for Mobile Backhaul**
  - Incumbent Carriers are slow to upgrade T1s (due to limited / no competition)
- **"Dry copper" should be made available on a common carrier basis**
  - Enables Mobile Operators to achieve 7X more bandwidth and greater reliability
  - Ethernet significantly lowers network maintenance cost
  - Promotes competition

Mid-Band Ethernet Summary

- **Copper pairs are a National Treasure**
  - Copper is already deployed to businesses, schools, financial institutions, and government agencies (e.g., the White House)
  - Innovative standards based copper solutions deliver 7x more bandwidth and greater reliability than T1s
  - 86% of businesses and over 90% of cell towers only have access to copper facilities (T1s)
  - Copper drives revenue to fund fiber deployment

- **What can the FCC do?**
  - Save copper from forced retirement
  - Make copper facilities available on a common carrier basis for competitive carrier services including Mobile Backhaul

Thank You!

ksheehan@hatterasnetworks.com